



Our Path FORWARD: *The Prosperity Strategy*

A BRIDGE TO ACTION FOR
INCLUSIVE ECONOMIC
RECOVERY & GROWTH

2020



OUR PATH FORWARD: A PLAN FOR INCLUSIVE ECONOMIC RECOVERY AND GROWTH



COVID-19: PLANNING IN A TIME OF PANDEMIC

“Nothing in life is to be feared, it is only to be understood. Now is the time to understand more, so that we may fear less.”

- Marie Curie, Nobel Prize Physicist

The COVID-19 pandemic emerged just as The Prosperity Strategy was being finalized; a pandemic that has wreaked more havoc on culture, economies and populations than anything in living memory – in our region and also across the state, our nation and globe.

In this context, it could seem tone-deaf to launch a “prosperity strategy” for the region. But in fact, the timing of this strategy is fortunate. This document, and the work and strategies it represents, can serve as the foundation and platform for our economic recovery. Arriving, as it does, at the hectic and unsettling beginning of an unanticipated public health and economic crisis, it is based on solid data and research specific to the Sacramento Region, and has already identified existing economic and community needs, priorities and opportunities. For the last major economic downturn in 2008, the region’s “Next Economy” strategy was not completed and released until three years later in 2011, years after the effects of the Great Recession were being felt. In the present moment, we have already done the work, and more importantly have the framework, on which to build.

For now, it is a moment of urgency, crisis response and triage. At the same time, we must think ahead to our next moment – the restart and economic recovery of our region – the timing of which may yet be unclear, but will arrive. And when that moment arrives, as a region we need to be ready to take action and lead based upon the framework set forth in The Prosperity Strategy.

We may not know all that lies ahead, but we can look to the past for cues. Following the 1918 Spanish Flu Pandemic the world experienced a revolution in healthcare including investment in research, data, technology, hospitals and the eventual establishment of the World Health Organization. We have seen a microcosm of this example in current times by the initiative of UC Davis to create a COVID-19 test within days following the announcement of a U.S. shortage and the ingenuity of local entrepreneurs who are manufacturing protective gear from 3D printers and sanitizer from distilleries to meet soaring demand. The pandemic could very well serve as the catalyst to establishing the Sacramento Region as a global leader in life sciences, at a time when it is needed to save lives and the regional economy.

The businesses and employees that have been hardest hit by COVID-19 are our restaurants, bars, tourism and travel industry. As the Farm-to-Fork Capital of America, we are a region that gathers together at tables, in breweries and at the farmers market. We have also seen our greatest inspiration from this sector in the midst of this crisis as businesses and institutions, like our food banks, restaurants and school districts, have rapidly pivoted and rallied around those most in need. Small businesses are embracing technology and finding new ways

to deliver services as well as their food. This dynamic nature and ability to shift will be crucial as the region builds itself as a global leader in food, agriculture and health.

Access to private capital has been a challenge for the Sacramento Region compared to its neighbor in the Silicon Valley and the numerous capital venture firms that are established in the San Francisco Bay Area. Location does have its privileges. As the capital of the fifth largest economy in the world, Sacramento holds a unique place in the state of California and the greater global economy. The proximity to state leaders, agencies and associations will be critical to securing funds for the local economy, guided by a regional and collaborative strategic bridge to action.

Lastly, our country’s greatest investment in emerging technologies was followed by the investment of local, state and federal stimulus packages in times of economic crisis. The New Deal brought electricity to every home following the Great Depression and the American Recovery and Reinvestment Act helped rebuild critical infrastructure. Once again, the region is anticipating historic federal investments that will support its place as a destination in which to do business in California, as well as a leader in mobility, technology, innovation and sustainability.

As our nation looks forward, as our state moves forward and the Sacramento Region drives forward, we will pursue these opportunities and more as we take action towards our own recovery.



COVID-19 CRISIS & RECOVERY FRAMEWORK

All disasters have phases of response and recovery, and the COVID-19 crisis is no different. The three phases identified here provide a framework for understanding where we've been, where we are now, and where we're going, and will help shape the ways in which we work together to get there.



REACT

GOAL: CRISIS RESPONSE

CHARACTERIZED BY:

- Visibility only to the “current moment”
- Rapid decision-making by authorities
- Cohesion, compliance response from population
- Public health response dominates, with economic, community actions focused on damage mitigation



RESTART

GOAL: RESTORE CONFIDENCE

CHARACTERIZED BY:

- Greater ability to attend to the future, as well as to the current moment
- Population frustration, and pressures grow
- Leadership cohesion is stressed
- Public health and economic, community actions are approaching co-equal status
- “Return to work” in phases, supported by policies, practices



RECOVER

GOAL: ACHIEVE GROWTH

CHARACTERIZED BY:

- More persistent “return to normal”
- Economic, community actions and plans return to prominence
- Longer-term planning interconnects current actions to pre-existing economic, community development strategies

CREATING AN INCLUSIVE ECONOMY

THE PURPOSE OF THIS DOCUMENT

Our Path Forward: The Prosperity Strategy is a strategic framework and bridge to action for the six-county Sacramento Region that prioritizes our core economic initiatives and will result in a more prosperous, equitable and resilient region.

Six core strategies, and related initiatives, will drive our region's future growth and advancement. These have resulted from a two-year process that was founded on extensive research, dozens of public convenings and hundreds of interviews. As well, this work is woven with other key efforts that will shape our region's future, including the Comprehensive Economic Development Strategy (CEDS), the Metropolitan Transportation Plan/ Sustainable Communities Strategy (MTP/ SCS) and the city of Sacramento's Scale Up Sacramento/Project Prosper.

This document itself is a high-level summary of the vast underlying research and findings, and hyperlinks to that body of underlying work as frequently as possible. All readers are encouraged to spend time exploring the foundational material in these other sources.

INCLUSIVE ECONOMIC GROWTH STRATEGY BUILDS WEALTH

Inclusive economic growth is economic growth that is distributed fairly across society and creates opportunities for all.

Inclusive economies have lower levels of inequality, and grow more sustainably over time, by optimizing their assets, operating more efficiently and productively and reducing the burden of poverty. Inclusive economies focus on wealth-creation, rather than profit-generation. In essence, communities build longstanding wealth that benefit both people and place.

Inclusive growth is also a business imperative. It requires a more flexible, innovative and different workforce. It relies on cross-sector partnerships, networks and institutions to implement the work of making regions a place of choice for both business and talent.

The Prosperity Strategy will ensure that our region aligns growth with equity. It is economic placemaking at its core.

The Prosperity Strategy employed an inclusive growth framework – the five-factor framework – anchored by a set of core principles.



THE FIVE-FACTOR FRAMEWORK

The Brookings Institution identifies a **five-factor framework**, or market levers, as keys to advancing and prioritizing near-term action to make tangible progress on economic prosperity. These include:

Tradable Industries

Tradable industries improve productivity and bring wealth from outside the region

Innovation and Entrepreneurship

New technologies translate into high-value growth and a diversified and durable set of industrial advantages

Human Capital Development and Deployment

Our stock of knowledge, skills, expertise and capacities in the labor force is critical for enhancing productivity, raising incomes and driving economic growth

Infrastructure and Spatial Efficiency

Transportation and broadband help connect people to essential opportunities - jobs, services and recreation

Governance

The formulation and execution of collective action at the local level

The five market levers operate together to create synergies in context to economies, ultimately making places and firms more productive.

THE PROSPERITY PRINCIPLES

The Prosperity Strategy is anchored by three over-arching themes – **scaling business, supporting people and developing place** – each of which has three core principles. All

told, these nine principles are the organizing framework for the detailed work of this document.

SCALE BUSINESS

1. Advance competitiveness, drive jobs and investment into the region.
2. Target advanced industry and traded sector job creation.
3. Support improvements to the business climate that increase innovation, university tech transfer, and business dynamism and scaling.

SUPPORT PEOPLE

4. Improve access to necessary education and in-demand occupational skills, making digital skills a shared workforce development priority.
5. Leverage workers and entrepreneurs from all backgrounds to foster equitable wealth creation and inclusive growth.
6. Increase access to community programs, jobs, capital, health care and stable housing for vulnerable and struggling communities.

DEVELOP PLACE

7. Invest in infrastructure that supports regional mobility, accessibility and connectivity, including affordable transportation options for low-income residents.
8. Increase housing affordability through production, diversity of housing types, supportive infrastructure and community investments.
9. Support healthy, safe and complete communities with place-making assets and 'next-generation' transportation options.

OUR CORE STRATEGIES

The detailed work for Our Path Forward: The Prosperity Strategy – the ways in which we will make progress on the underlying principles – is captured in six core strategies. These strategies are the focal point of the work to come in the next five years.

The first three of these strategies seek to establish global leadership in three economic clusters in which the region already has strength, prominence and opportunity and which also speak directly to two of Brookings' five factors: tradable industries, innovation and entrepreneurship. The second three of these strategies prioritize critical supporting components of infrastructure, workforce and the business environment. These last three strategies also connect back to the Brookings' five factors, specifically human capital, infrastructure and governance.

The following pages identify for each strategy its interrelated initiatives, both long term (up to five years) and short-term (six to eighteen months), along with the ways in which each strategy contributes to regional innovation and inclusion, and its developing COVID-19 context.

Detailed analysis may be found on the underlying economic profile of the three tradable clusters – Food and Agriculture, Life Sciences and Future Mobility in the CEDS and the Brookings Institution report.

**BE THE GLOBAL LEADER FOR ENTREPRENEURS,
FIRMS AND WORKFORCE IN:
FOOD, AG AND HEALTH INNOVATION.
LIFE SCIENCES.
FUTURE MOBILITY.**

**TARGET INFRASTRUCTURE INVESTMENT TO
SUPPORT ECONOMIC CLUSTERS AND MARKET
DRIVERS.**

**EXPAND DEMAND-DRIVEN, SECTOR-BASED
WORKFORCE DEVELOPMENT, ALIGNED TO KEY
OPPORTUNITY CLUSTERS AND A MORE INCLUSIVE
WORKFORCE, PREPARED FOR FUTURE WORK.**

**CREATE AN ENVIRONMENT TO BE THE MOST
BUSINESS-FRIENDLY REGION IN WHICH TO
OPERATE IN THE STATE OF CALIFORNIA.**

STRATEGY: BE THE GLOBAL LEADER FOR ENTREPRENEURS, FIRMS AND WORKFORCE IN FOOD, AGRICULTURE AND HEALTH INNOVATION.

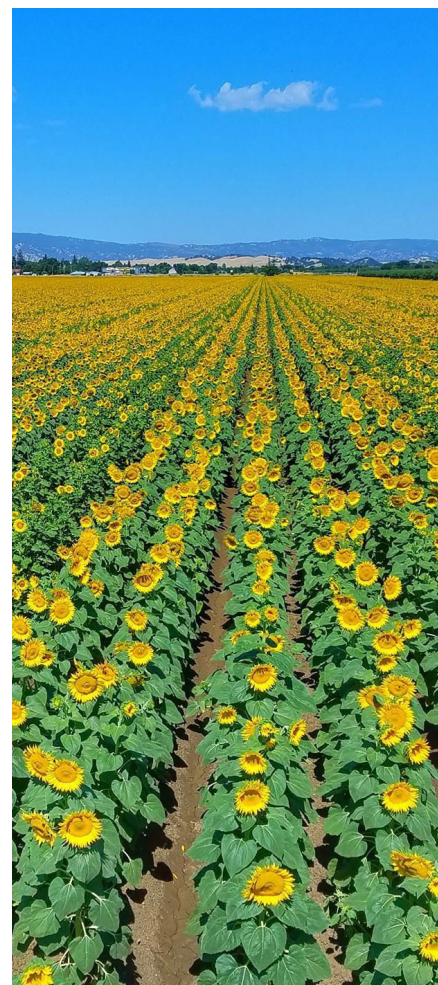
LONG TERM INITIATIVE

Develop the California Institute for Agriculture, Food and Health Innovation (Institute) to bridge the innovation gap between research, development and commercialization. The Institute would include industry-led research, prototyping, testing, manufacturing and training coupled with robust investment and a support ecosystem to accelerate speed-to-market.

The facility would focus on precision nutrition, food science and nutraceuticals, digital agriculture, agricultural science, smart ingredients and food processing. Location consideration for the Institute is already underway with a commitment to locate it in a rural/agricultural community. Institute planning will be led by UC California Agriculture and Natural Resources in partnership with key industry leaders, UC Davis, Valley Vision, Greater Sacramento Economic Council and numerous other entities across the region.

SHORT TERM INITIATIVES

- Expand wet lab space across the region, including rural and suburban locations.
- Support scale-up for food manufacturing companies, including co-packing and co-production facilities, shared logistics, support services and equipment testing.
- Support food system infrastructure projects such as technology parks, food hubs, incubators and accelerators including to leverage the buying power of institutional procurement and support “next gen” food entrepreneurs.
- Develop a capital formation strategy for funding mechanisms for the Institute that can be modeled and scaled for similar innovation centers across the region.



CONTRIBUTIONS TO INNOVATION:

This Institute promotes the creation of new technologies and processes for food, agriculture and health. It aims to harness UC Davis's research ecosystem and talent, combined with the region's industry strength, resulting in the spinout of new companies that will be rooted in the region. The Sacramento Region has additional key assets in AgBiotechnology that include strong agriculture research assets, more than 30 AgBiotechnology startups and R&D facilities for global companies such as Bayer, Syngenta, Marrone Bio Innovations and HM.CLAUSE. As AgBiotechnology grows to a \$39.5 billion industry globally, the region can seize its piece of this pie through technology and environmental sciences.

CONTRIBUTIONS TO INCLUSION:

Food and Ag has long represented a diverse workforce in production, technology and manufacturing. Retaining our region's collegiate graduates, especially those enrolled at UC Davis, will only grow this ready workforce for our agricultural and health tech industries. This Institute will create high-paying jobs for our regional graduates tied to the very core subjects that attracted them to UC Davis for pursuit of their degrees, as well as pathways in a wide range of occupations.

COVID-19 IMPACT:

In a matter of days, stay-at-home health orders impacted our food system shuttering many restaurants, scaling up grocery delivery and pushing producers to shift with changing demand. Locally, food insecurity has become a critical issue as those most in need – seniors, disabled, homeless and lower-income families – were cut off from their food supplies. A series of organic efforts led by restaurants transformed kitchens into production sites for boxed meals that are delivered to seniors and school districts. As these shifts continue, we anticipate seeing a broader reliance on our local growers, manufacturers and suppliers as global trade continues to be impacted and the increased use of technology, such as the digital platform CropMobster, is used to share and trade food supplies and resources.

STRATEGY: BE THE GLOBAL LEADER FOR ENTREPRENEURS, FIRMS AND WORKFORCE IN LIFE SCIENCES.

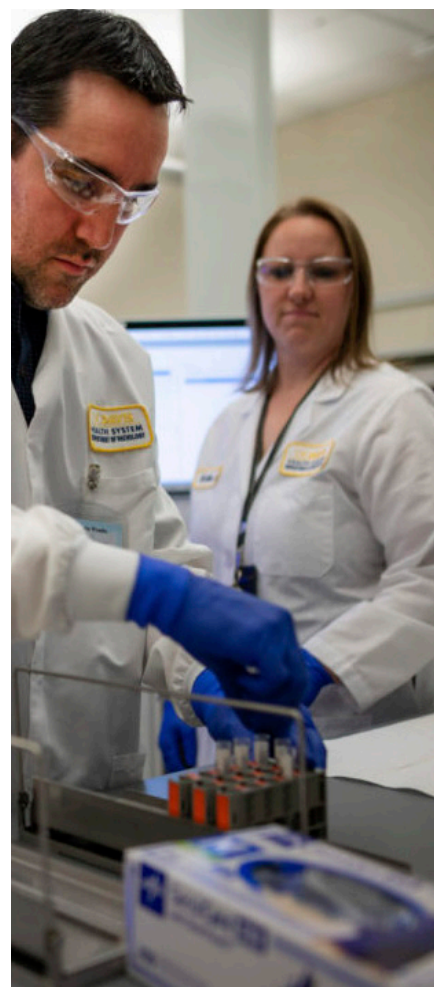
LONG TERM INITIATIVE

Establish an industry-led Life Sciences cluster partnership across the Sacramento Region to enable strategic collaboration amongst industry stakeholders, including workforce, supply chain and market development.

The Life Sciences cluster opportunity in the Sacramento Region is focused on four key areas - Cell and Gene Therapy, Digital Health, Bioengineering and Neuroscience. Future growth in these areas will be built upon an already robust and established industry that includes the UC Davis Medical School and hospital, the substantial research funding via UC Davis and at other Life Science's research and development institutions in the region, and a robust health care delivery system.

SHORT TERM INITIATIVES

- Support the development of Aggie Square as a regional innovation hub focused on research and development, especially in the development of technology specializing in Cell and Gene Therapy, Genomics and Imaging Diagnostics.
- Launch a workforce initiative focused on Life Sciences and support occupations that leverages the 24 higher education institutions across the six-counties.
- Detailed analysis of regional supply chains to map existing manufacturing capabilities and opportunities for Life Sciences.



CONTRIBUTIONS TO INNOVATION:

In addition to the enormous benefits to human health, Life Sciences creates tremendous economic impact for a region. California leads all states with more than \$4.2 billion in research funding from the National Institutes of Health in 2018. With the development and advancement of Aggie Square, the Sacramento Region will develop a stronger foundation with which to attract the funding, talent and spinout companies needed to complement the Life Science sectors in San Diego, Los Angeles and the San Francisco Bay Area.

CONTRIBUTIONS TO INCLUSION:

The Life Sciences sector offers higher than average wages in a range of positions that do not all require a four-year college degree, such as production and technical roles.

The impact to both workforce and community will be felt across all six-counties. All of the region's 24 higher education institutions currently offer sector-specific training programs in Health Services and Life Sciences, in addition to adult education centers and Career Technical Education (CTE) programs for health sciences. Affordable, accessible career education programs, well-supported by outreach and recruiting, can create a pathway to these well-paying, middle-skill jobs and directly improve inclusiveness and equity.

COVID-19 IMPACT:

UC Davis Health and UC Davis were at the forefront of the pandemic, creating their own testing kits, tracking applications and case mapping before most of the nation. Combined with the efforts of the region's other healthcare partners including Dignity Healthy, Kaiser Permanente and Sutter Health, the region has been a leader in the state and across the country in flattening the curve. With billions of stimulus funds from the federal government towards research, testing, vaccines, equipment and personnel, the investment in our local Life Sciences already has accelerated the growth for this cluster.

STRATEGY: BE THE GLOBAL LEADER FOR ENTREPRENEURS, FIRMS AND WORKFORCE IN FUTURE MOBILITY.

LONG TERM INITIATIVE

Establish the California Mobility Center (CMC), as an international industry-led future mobility partnership across the Sacramento Region to enable strategic collaboration amongst industry stakeholders including in market development, supply chain, workforce and policy innovation.

The region has the opportunity to seize leadership in the emerging field of Future Mobility, or disruptive mobility innovations, including autonomous mobility, connectivity, the electrification of transportation and shared mobility options. Already a hub for electric car and zero-emission vehicle technology because of its proximity to the California Air Resource Board and California Fuel Cell Partnership, the region's leadership position will only be enhanced with the CMC.

SHORT TERM INITIATIVES

- Develop a workforce initiative focused on future mobility that includes both primary and secondary institutions and workforce training centers.
- Pass legislation and secure state funding for Green Means Go - a multi-year pilot program to lower greenhouse gas emissions in the Sacramento Region by accelerating infill development, reducing vehicle trips and electrifying remaining trips.
- Increase funding and expand the reach for SACOG's "Civic Lab" program to pilot test innovative mobility solutions throughout the Sacramento Region.
- Initiate a regional economic gardening program to scale early stage Future Mobility manufacturing companies.



CONTRIBUTIONS TO INNOVATION:

The CMC will be a catalyst towards the creation of new technologies and processes in future mobility, with a proven model from PEM in Aachen, Germany. Since there are no centers in the U.S. focused on hardware innovation in mobility and its proximity, the Sacramento Region would be positioned to become a world leader in this emerging space.

CONTRIBUTIONS TO INCLUSION:

As the mobility sector grows in the region, workforce training collaborations will help ensure that regional residents are able to access the work opportunities, such as those in skilled and design jobs and throughout the supply chain. Collaborations between industry, including manufacturing and education, can develop high-performance training programs that are inclusive; the existing collaboration between Los Rios Community Colleges and Siemens, in which training programs on the community college campuses feed directly to the local Siemens Mobility plant, is a good example, especially because it is highly diverse and representative of the greater population.

COVID-19 IMPACT:

One of the last times we saw a collective and massive commitment by local, state and federal governments to invest in emerging technologies was the efforts to bring electricity to all households – rural and urban – through the New Deal. With the Federal Communications Commission already committing to a \$9 billion 5G fund for rural America and anticipated stimulus funds for a COVID-19 recovery, the Sacramento Region is poised to create the digital and manufacturing infrastructure that is needed to accelerate our future mobility capabilities.

STRATEGY: TARGET INFRASTRUCTURE INVESTMENT TO SUPPORT ECONOMIC CLUSTERS AND MARKET DRIVERS.

LONG TERM INITIATIVE

Prioritize expansion projects that align with the Prosperity Strategy principles, including linking broadband and transportation investments in key corridors and access to job centers.

This strategy is aligned with the Metropolitan Transportation Plan/ Sustainable Communities Strategy (MTP/ SCS) – the 20 year transportation and land use strategy to support an economically prosperous region, as adopted by SACOG in November 2019.

SHORT TERM INITIATIVES

- Advance a “fix-it-first” approach to preserve and better maintain our transportation system in a state of good repair. The region’s backlog of roadways in poor and declining condition, and aging transit rolling stock, will be more expensive to fix later than they will now.

- Advance innovative transportation system management and operations, including travel demand management and new mobility models that support emerging economic clusters.
- Create a six-county region plan to accelerate broadband infrastructure deployment, including a neutral shared infrastructure platform, 5G and next generation high speed Internet.



CONTRIBUTIONS TO INNOVATION:

Investment in digital infrastructure, including broadband and 5G wireless network expansions, can help overcome an existing digital divide and be a catalyst for innovation in the region, for businesses, educational institutions, the workforce and government. Greater broadband deployment will increase the ability to telecommute, which in turn also reduces the demand, capacity, climate impact and expenses of our transportation systems.

Early work to identify strategic broadband corridors has already identified transportation corridors that could also benefit from greater broadband infrastructure, such as US 50 in rural El Dorado County or CA 113 in Yolo County, connecting to Sutter County and areas in Yuba County.

CONTRIBUTIONS TO INCLUSION:

Infrastructure underpins the primary drivers of economic prosperity, by increasing access to opportunity, improving connectivity between firms and workers, fostering broader mobility and supporting overall quality of life. Investment in multiple forms of regional infrastructure – housing, broadband and transportation including transit – will mitigate the Sacramento Region’s disparities in accessibility and mobility options by closing the gap to access for marginalized populations to jobs, information and housing.

COVID-19 IMPACT:

Following both the Great Depression and Great Recession was the investment in infrastructure and emerging technologies. Once again, indications from the U.S. Congress is they will put America back to work through projects that build our cities, transportation and information infrastructure. Where and how this investment is made may look very different from the past as millions learn to work and learn from home and a reliance on broadband becomes more vital than their commutes to a job center.

STRATEGY: EXPAND DEMAND-DRIVEN, SECTOR-BASED WORKFORCE DEVELOPMENT, ALIGNED TO KEY OPPORTUNITY CLUSTERS AND A MORE INCLUSIVE WORKFORCE, PREPARED FOR FUTURE WORK.

LONG TERM INITIATIVE

Strengthen the regional workforce development system through an employer-led and demand-driven ecosystem, including employer, community college, workforce system partnership models and regional industry advisories.

The Brookings Institution report stated “perhaps the most important factor that will determine long-run economic prosperity in the Sacramento Region is its ability to grow, retain and attract a strong workforce.” Currently, education and workforce development partners are working with employers to identify skill gaps in high demand occupations, and align resources accordingly. Yet there remains a need for a next level of systems change from the private sector to respond to the rapidly changing labor market. For example, employers could adopt a “life cycle” approach to developing the entire workforce pipeline,

similar to a company’s proactive supply chain development. An example of this industry-led effort is embodied by an initiative at the U.S. Chamber of Commerce Foundation’s Talent Pipeline Initiative enabling employers to build scalable and sustainable pipelines through data and partnerships.

SHORT TERM INITIATIVES

- Formalize success models for demand-driven training programs, including the strengthening of CTE, to fill high demand middle skills job gaps across all school districts, expand bridge programs that prepare those with lower skills for the world of work, increase apprenticeship opportunities with labor partners and strengthen regional industry sector initiatives.
- Launch the Sacramento Region’s Digital Skills Initiative to increase digital literacy, access and adoption.
- Initiate a Sacramento Region campaign via Project Attain! in order to close the near-term completion gap for individuals seeking to obtain their college degree.



CONTRIBUTIONS TO INNOVATION:

Tailoring workforce programs to sectors projected to grow will assist the Sacramento Region in becoming a talent hub for specific industries including but not limited to Food and Agriculture, Life Sciences and Future Mobility. When these talent pools reach a sufficient scale, they will become a valuable regional asset that will help offset California’s higher cost of labor compared to other states. This will dissuade firms from looking elsewhere for talent and serve instead to attract high-growth companies to the region, including tech, manufacturing and professional services.

CONTRIBUTIONS TO INCLUSION:

Project Attain! is a program to specifically address the broad group of “near-completers” – those not currently enrolled in post-secondary education, but with only 15 units or less needed to complete their degree. Because a disproportionate portion of “near-completers” are people of color and women, Project Attain! aims to overcome the situational and institutional barriers that hinder near-completers from graduating, and which research shows exacerbates the equity and inclusion gap of the region.

COVID-19 IMPACT:

As millions experience unemployment, a workforce strategy is needed more than ever. The pandemic has also provided an opportunity for institutions, industries and employees to pivot in how they learn, train and work. To ensure students and employees do not get left behind, investment in digital infrastructure, hardware and skills will be required. In addition, as we try to close the number of near-completers, we need to ensure that number does not skyrocket with thousands of students attempting to complete their education remotely complicated by staggering budget cutbacks at higher education institutions.

STRATEGY: CREATE AN ENVIRONMENT TO BE THE MOST BUSINESS-FRIENDLY REGION IN WHICH TO OPERATE IN THE STATE OF CALIFORNIA.

LONG TERM INITIATIVE

Implement regional policies that strengthen our innovation ecosystem including financing, facilities and business development resources to support start-ups, scale ups and spinouts in our highest performing sectors.

The Sacramento Region can become the California option for business – based on a value-added proposition rather than a low-cost pitch, and one that positions the region as the place business and workers want to locate and stay because they will be more productive.

The region has the unique opportunity to be a destination in which culture, networks, finance and talent overlap and connect, and to do so by leveraging its position as the capital of the fifth largest economy in the world. Its proximity to policy makers and its geographic location near education, industry and agriculture

provides a competitive advantage over other California cities. The region already leads with pioneering solutions to water, energy and forest management.

SHORT TERM INITIATIVES

- Develop a cohesive messaging strategy for communicating the Sacramento Region as a destination for innovation, testing, piloting and scaling for business in California.
- Attract and support contract manufacturers to support all three clusters.
- Encourage and support local governments to create “sandboxes” to allow real world urban testing of mobility solutions.
- Assess, identify and address the biggest barriers to Sacramento Region’s most promising start-ups with the region’s civic and business leadership.



CONTRIBUTIONS TO INNOVATION:

During the Gold Rush, the Sacramento Region was a destination for entrepreneurs and startups. Once again, the region is becoming that place for innovators and disruptors thanks to the work of multiple entities such as AgStart, Urban Hive, Start-up Sacramento, UC Venture Catalyst, Hacker Lab, Clean Start and the Sacramento Urban Technology Lab. Capital investment, business counseling and support services will drive existing businesses to scale up, especially stage two companies, or those that have grown past startup but not yet grown to maturity. With a robust and supportive ecosystem and environment for these scaleups and spinouts, the region will attract, as well as retain, the talent and businesses leading in this innovative space.

CONTRIBUTIONS TO INCLUSION:

Women-owned businesses are one of the greatest growth indicators in our economy with a 21 percent increase in women-owned companies in the U.S. In addition, in the Sacramento DMA, nearly 40 percent of all business firms are owned by minorities. Although these numbers are encouraging, a lot of intentional work remains to position women and minorities in positions of leadership across all sectors – business, government, nonprofit and education. These systematic changes will only happen through the increased access to capital, mentoring programs and inclusion on regional boards.

COVID-19 IMPACT:

A series of organic networks and collectives surrounding business have emerged as the region’s leaders needed to address critical decisions in these dynamic times. The Business and Economic Task Force, led by the Metro Chamber, is one example of a collective government and business group that is making real-time decisions to secure funding for the local economy and influence policy. Similar alliances have formed across the six-county region as leaders and influencers look to secure stimulus funding for projects such as broadband, Life Sciences and workforce development.

NEXT STEPS

REPORTING & ACCOUNTABILITY

CEDS STEERING COMMITTEE

The CEDS Steering Committee has also served as an advisory group to the core strategies and initiatives identified in The Prosperity Strategy. This group of community representatives includes education, nonprofit, business and labor. The group continues to convene and will do so following the release of The Prosperity Strategy to monitor its progress and provide input when shifts may be needed.

View the entire CEDS Steering Committee roster at theprosperitstrategy.org.

Additional contributions by the following were instrumental in the collective efforts of this document:

Bob Weissbourd and RW Ventures
Brookings Institution
California Community Colleges
City of Sacramento
North/Far North Center of Excellence

MEASURING THE IMPACT

A series of metrics are being identified to measure both the impact and trajectory of Our Path Forward.

REGIONAL INCLUSIVE ECONOMIC INDICATORS

MSA Performance on Growth, Prosperity and Inclusion

Data Source: Brookings Institution Metro Monitor

Median Annual Household Income by Zip Code

Data Source: U.S. Business Census

Cost of Living Index Compared to Other Mid-markets

Data Source: Council for Community and Economic Research

Wage Gain Over Time by Sector, Skill-Level and Education

Data Source: U.S. Bureau of Labor Statistics and Brookings Institution Metro Monitor

Average Annual Wage By Sector

Data Source: U.S. Bureau of Labor Statistics

Relative Poverty Rate

Data Source: U.S. Business Census

Households Struggling to Make Ends Meet

Data Source: California Budget and Policy Center and Brookings Institution Metro Monitor

INNOVATION & BUSINESS GROWTH INDICATORS

Business Employment Dynamics Index

Data Source: U.S. Bureau of Labor Statistics

Number of Business Openings by Area, Both Solely and Multi-Employee

Data Source: U.S. Business Census



Jobs at Young Firms

Data Source: Brookings Institution Metro Monitor

Venture Capital Funding Investment in Businesses

Data Source: PWC MoneyTree

Innovation Index 2.0

Data Source: Stats America

Entrepreneurial Business Growth

Data Source: Kauffman Foundation Growth Entrepreneurship Index

WORKFORCE INDICATORS

Labor Market Equity by Census Tract, Gender and Race

Data Source: U.S. Bureau of Labor Statistics & U.S. Business Census

Number of Degrees and Awards in Emerging Industries

Data Source: U.S. Bureau of Labor Statistics

Projected Skills Gap and Labor Shortages

Data Source: U.S. Bureau of Labor Statistics & U.S. Business Census

Levels of Education for People of Color

Data Source: U.S. Bureau of Labor Statistics & U.S. Business Census

TRANSPORTATION & INFRASTRUCTURE INDICATORS

Public Transit Wait Times

Data Source: SACOG and Regional Transit

Bike Share and Micro-Mobility Trips Per Capita

Data Source: SACOG and System Operators

Roadway Reliability—Trucks and Passenger Vehicles

Data Source: FHWA and SACOG

Number of Transit-Oriented Development Projects, Including Housing

Data Source: SACOG and Regional Transit

Annual Home Price

Data Source: California Association of Realtors

Average Rent per Unit

Data Source: Apartment List

Federal and State Funding Investment in Infrastructure Projects

Data Source: SACOG

Track results, receive updates and learn more about Our Path Forward by visiting TheProsperityStrategy.org.

QUESTIONS? Contact us at grow@theprosperitstrategy.org.

THE PROSPERITY PARTNERSHIP

Our Path Forward is the collective work of the following organizations – each with its own unique focus – working in partnership to drive an inclusive economy for the six-county region.

GREATER SACRAMENTO ECONOMIC COUNCIL selectsacramento.com

Focus: Attraction of Business, Capital and Talent

The Greater Sacramento Economic Council (“Greater Sacramento”) is the catalyst for innovative growth strategies in the Capital Region of California. The organization spearheads community led direction to retain, attract, grow and scale new businesses; develop advanced industries; and create jobs and investment throughout the six-county region. Greater Sacramento represents a collaboration between local and state governments, market leaders, influencers and stakeholders, with the sole mission of driving economic growth.

SACRAMENTO METROPOLITAN CHAMBER OF COMMERCE metrochamber.org

Focus: Scaling up Our Region for Business

The Sacramento Metropolitan Chamber of Commerce (Metro Chamber) advocates for and supports the inclusive economic prosperity of our Capital Region by leading efforts for business. Established in 1895, the Metro Chamber is the largest, most prominent and established voice for business representing 1,400 members and their workforce in the six-county region. The Metro Chamber provides businesses and individuals the programs, services and advocacy needed to build vibrant communities, a ready workforce, connected region and strong business.



SACRAMENTO AREA COUNCIL OF GOVERNMENTS sacog.org

Focus: The Movement of Goods, People and Ideas

The Sacramento Area Council of Governments (SACOG) is the association of local governments in the six-county Sacramento Region. SACOG provides transportation planning and funding for the region and serves as a forum for the study and resolution of regional issues. SACOG also approves the distribution of affordable housing in the region and assists in planning for transit, clean air, and other areas.



VALLEY VISION

valleyvision.org

Focus: Aligning Organizations and Industries

An independent civic leadership organization headquartered in Sacramento, Valley Vision strengthens the region's communities through unbiased research, boundary-crossing collaboration and transformative leadership. Valley Vision has led, managed or supported hundreds of initiatives dedicated to creating the conditions for improved quality of life, economic growth and community vitality. These include a 21st century workforce, digital access and inclusion, and transformative climate readiness.



The six-county region represented in the Prosperity Strategy includes the following:

Sacramento County

Citrus Heights
Elk Grove
Folsom
Galt
Isleton
Rancho Cordova
Sacramento City

El Dorado County

Placerville
South Lake Tahoe

Placer County

Auburn
Colfax
Lincoln
Roseville
Rocklin
Loomis

Sutter County

Yuba City
Live Oak

Yuba County

Marysville
Wheatland

Yolo County

Davis
West Sacramento
Winters
Woodland